



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION
WASHINGTON, DC 20202-6132

May 1, 2003

MEMORANDUM TO CHIEF STATE SCHOOL OFFICERS AND TITLE I STATE COORDINATORS

Subject: **Preliminary** School Year (SY) 2003-04 Title I Allocations

Enclosed are **preliminary** SY 2003-04 allocations for Title I, Part A Basic, Concentration, Targeted, and Education Finance Incentive Grants, Even Start, and the State Agency Neglected and Delinquent program. We based these allocations on action taken by Congress in the Department of Education Appropriations Act for Fiscal Year 2003, Public Law 108-7.

In calculating preliminary Basic, Concentration, Targeted, and Education Finance Incentive Grant allocations for local educational agencies (LEAs), we used 1999 census estimates of the number of related children ages 5-17 in families in poverty, the total school-age population, and the total resident population for each LEA. In addition to the 1999 census data, these allocations factor in final State per-pupil expenditure data from SY 2000-01 and data on the number of children in locally operated neglected or delinquent institutions, foster homes, and families above poverty receiving assistance under the Temporary Assistance for Needy Families program that were used last year to determine SY 2002-03 allocations. Note that these preliminary allocations will change with the use of updated non-census data and because of possible changes to the 1999 census data that result from the process used to verify the school district boundary survey on which these data are based.

In determining Title I LEA allocations, we also used the variable hold-harmless provision in section 1122(c) of the Title I statute. Under each formula, an LEA is guaranteed at least 85, 90, or 95 percent of the amount it was allocated in the preceding year, depending on its percentage of formula children. In the case of Concentration Grants, however, the statute provides that an LEA not meeting the statutory eligibility thresholds is guaranteed its hold-harmless amount for four consecutive years. Therefore, an LEA that was last eligible for a Concentration Grant in SY 1999-2000 but was not eligible in SY 2000-01, SY 2001-02, SY 2002-2003, and SY 2003-04 will receive its hold-harmless amount in SY 2003-2004. If that LEA, however, fails to meet the Concentration Grant eligibility thresholds next year (SY 2004-2005), it will no longer be eligible for the hold-harmless guarantee. The attached congressional notification provides more detail about the operation of the Title I formulas.

If you have any questions about these preliminary allocations, please contact Mr. Sandy Brown on my staff at (202) 260-0976. We expect to announce final allocations in late May.

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Enclosures

SASA/4/2/2003/SBROWN/260-0976/2001/Preliminary SY 2003-04 Allocations Memo
cc:Hunkin/State/writer